

An Introduction to Pakistan's Sugar Industry

Pakistan is the 5th largest country in the world in terms of area under sugar cane cultivation, 11th by production and 60th in yield. Sugarcane is the primary raw material for the production of sugar. Since independence, the area under cultivation has increased more rapidly than any other major crop. It is one of the major crops in Pakistan cultivated over an area of around one million hectares.

The sugar industry in Pakistan is the 2nd largest agro based industry comprising 81 sugar mills with annual crushing capacity of over 6.1 million tones. Sugarcane farming and sugar manufacturing contribute significantly to the national exchequer in the form of various taxes and levies. Sugar manufacturing and its by-products have contributed significantly towards the foreign exchange resources through import substitution.

Key Facts

No. of Mills	81 (71-Operational, 2-Under Construction, 4-Completed)
Crushing Capacity	6.1 Milluion tones
Contribution to Economy	3.0 - 4.0 Million Tonnes
- Share in GDP	1.9%
- Employment	1.5 million (directly & indirectly)
- Total Investment	PKR 100 Billion (Approx)
Average Yield Per Hector	46.8 Tonnes
Total Cane Production	45.0 - 55.0 Million Tonnes
Cane Available	30-43 Million Tonnes
Average recovery of sugar	9.1 (vs. world avg. 10.6%)
Per Capita Consumption	25.8 kgs. Per capita
Contribution to exchequer	Rs. 12.16 Billion

Cane Sugar Yield of World

Country	Cane Yield (T/ha)	Sugar Recovery (%)	Sugar Yield (t/ha)
Australia	100.4	13.8	13.85
Egypt	110.8	11.5	12.74
Brazil	68.4	14.5	9.91
USA	80.2	11.7	9.38
Colombia	80.5	11.5	9.26
Mexico	79.5	11.6	9.22
India	66.9	9.9	6.64
Pakistan	49.0	9.2	3.54
World Avg.	64.4	10.6	6.82

Pakistan Sugarcane Area and Yield

Year	Area (000 Ha)	Produced 000 Tonnes	Yield per Hectare	Utilization % by Sugar Mills
2000-01	960.0	43,620	45.4	67.47
2001-02	999.7	48,041	48.1	76.33
2002-03	1,099.7	52,049	47.3	80.28
2003-04	1,074.8	53,800	50.1	81.15
2004-05	966.4	43,533	45.0	73.74
2005-06	907.0	44,292	48.8	67.94

Sugarcane Production and Recovery

Year	Cane Crushed Tonnes	Sugar Made Tonnes	Recovery
2000-01	29,408,879	2,466,788	8.39%
2001-02	36,708,638	3,197,745	8.71%
2002-03	41,786,689	3,652,745	8.74%
2003-04	43,661,378	3,997,010	9.15%
2004-05	32,101,739	2,922,126	9.10%
2005-06	30,090,632	2,588,176	8.59%

Sugar Production by type of raw Material (In Tonnes)

Year	Sugarcane	Beet	Raw	Total
2000-01	2,466,788	17,276	531,930	3,015,994
2001-02	3,197,745	29,172	22,111	3,249,028
2002-03	3,652,745	22,066	1,945	3,676,759
2003-04	3,997,016	23,796	-	4,020,806
2004-05	2,922,125	11,373	182,303	3,115,801
2005-06	2,588,176	8,934	401,396	2,998,506

E : Estimated

N.A. : Not Available

Industry Scenario

Sugar industry is mostly located in the rural areas of Punjab and Sindh. A small percentage of total production is produced in the NWFP. Previously, Punjab was partly dependent on supply of sugar from Sindh, but lately the establishment of some large scale units in Punjab has made the Province self-sufficient in the commodity.

Sugar production is seasonal activity. The mills, at an average operate for 150 days, and supplies are made throughout the year. As the industry now has large daily crushing capacity there are efforts to even further reduce.

Province wise sugar production (In Tonnes)

Province	2005-06	2004-05	2003-04	2002-03	2001-02
Punjab	1,832,228	2,182,330	2,599,490	2,351,102	2,152,175
Sindh	1,038,122	801,063	1,221,268	1,158,674	940,959
NWFP	128,157	132,407	176,252	166,983	104,611
TOTAL	2,998,507	3,115,801	3,997,010	3,676,759	3,197,745

EXPORT OF SUGAR, MOLASSES AND ETHYL ALCOHOL

	Year	Quantity (Tonnes)	Value (In 000 Rs.)
Sugar	2000-01	-	-
	2001-02	-	-
	2002-03	45,669	627,949
	2003-04	116,175	1,589,210
	2004-05	54,771	1,028,710
Molasses	2000-01	1,190,012	2,456,573
	2001-02	1,607,380	3,898,800
	2002-03	1,272,630	2,652,975
	2003-04	1,457,283	2,698,964
	2004-05	1,151,431	4,297,617
Ethyl Alcohol	Year	Quantity (Liters)	Value (In 000 Rs.)
	2000-01	10,061,000	208,082
	2001-02	14,594,000	341,438
	2002-03	16,341,575	342,658
	2003-04	35,921,065	692,840
	2004-05	36,669,688	1,067,445

It can be seen from the above, that there exists tremendous potential for export of sugar, molasses and ethyl alcohol. In particular molasses needs to be mentioned here as it has shown regular exports over the last few years.

The major buyers are Netherlands, UK, Germany, Spain, Italy and Korea. Netherlands is the biggest buyer with over 40% share in overall exports.

Import of Refined Sugar

Year	Quantity (Tonnes)	Value (In 000 Rs.)
2000-01	930,142	14,488,243
2001-02	85,037	1,472,326
2002-03	8,315	152,746
2003-04	11,398	188,509
2004-05	266,707	5,288,976
2005-06	1,527,322	37,365,929

Investment Opportunities

- Improvement in sugar crop yield through R&D and planning
- Improvement in procurement and storage to reduce wastages
- Export potential of sugar/molasses
- Development of Industries for proper utilization of by-products by adding equipment (distillery, chipboard etc.) which can earn / enhance revenues.
- Blending of fuel ethanol with petrol.
- Power co-generation by the sugar industry using bagass

Important Addresses

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Zone wise list of Sugar Mills

Punjab Zone

1	Abdullah Sugar Mills Ltd	103/B-1, M.M Alam Road Lahore
2	Adam Sugar Mills Ltd	345-A/1, Gulberg-III, Opp: Wyeth Laboratories, Lahore
3	Ashraf Sugar Mills Ltd	128 Tufail Road, Lahore Cantt
4	Baba Farid Sugar Mills Ltd	1st Floor Nawa-I-Waqt House, 4- Shabrae Fatimah Jinnah, Lahore
5	Brother Sugar Mills Ltd	135-Upper Mall, Lahore
6	Channar Sugar Mills Ltd	194, Abu Bakar Block, New Garden Town, Lahore
7	Chaudhry Sugar Mills Ltd	80/ A, Abu Bakar Block, New Garden Town, Lahore
8	Crescent Sugar Mills Ltd	New Lahore Road, Nishatabad, Faisalabad
9	Fatima Sugar Mills Ltd	2nd Floor, Trust Plaza, Opp.Telephone Exchange, LMQ Road, Lahore
10	Fauji Sugar Mills Ltd	Fauji Foundation (Sugar Division), Head Office Tippu Road, Chaklala
11	Fecto Sugar Mills Ltd	Room # 101 & 102, 1st Floor Panorama Centre, Raja Ghazanfar Ali Road, Karachi
12	Gojra Samundri Sugar Mills Ltd	Monnoo House 3, Montgomery Road, Lahore
13	Hamza Sugar Mills Ltd	A/22, S.I.T.E Maripur Road Karachi
14	Haseeb Waqas Sugar Mills Ltd	103/B-1, M.M Alam Road, Gulberg III Lahore
15	Hunza (Qand Ghar) Sugar Mills	31/7-A, Abubakar Block garden Town Lahore
16	Husein Sugar Mills Ltd	30-A/E-1, Old FCC Gulberg III, Back to Gaddafi Stadium, Lahore
17	Indus Sugar Mills	93-B, New Muslim Town, Lahore
18	Ittefaq Sugar Mills Ltd	40-B/II, Gulberg III, Lahore
19	JDW Sugar Mills Ltd	17, Abid Majeed Road, Lahore Cantt
20	Kamalia Sugar Mills Ltd	Askari Villas No.2, Sarwar Road, Near Garrison Cinema, Lahore Cantt
21	Kashmir Sugar Mills Ltd	40-B/II, Gulberg III, Lahore
22	Kohinoor Sugar Mills Ltd	29-G, Gulberg II, Lahore
23	Layyah Sugar Mills Ltd	17 - G, Gulberg III, Lahore
24	National Sugar Mills Ltd	146 M Block, Gulberg III Lahore
25	Noon Sugar Mills Ltd	6th Floor, EFU Building, Jail Road Lahore
26	Pattki Sugar Mills Ltd	T-09, 3rd Floor, Hafeez Centre, 75-E/1, Gulberg III Lahore
27	CSK (Phalia) Sugar Mills Ltd	182, Abu Bakar Block, New Garden Town, Lahore

28	Punjab Sugar Mills Ltd	20 - E - I (C) Gulberg - III, Lahore
29	Ramzan Sugar Mills Ltd	7 -A New Muslim Town, Lahore
30	Shahtaj Sugar Mills Ltd	72 / C-1, Gulberg III, Lahore
31	Shakarganj Mills Ltd	Management House, Toba Tek Singh Road, Jhang
32	Tandlianwala Sugar Mills Ltd	32 - N, Gulberg-II, Industrial Area, Lahore
33	Yousaf Sugar Mills Ltd	103 -/B-1, M.M. Alam Road, Lahore
34	Chishtia Sugar Mills Ltd	88 -A, Canal Park, Gulberg-II, Lahore
35	Gunj Buksh (Pasrur) Sugar Mills Ltd	21/69-F.C.C. Green Villas, Gulberg-II, Lahore
36	Pahrianwali Sugar Mills Ltd	F-1/14, Canal Cottage New Muslim Town, Lahore
37	Sheikhoo Sugar Mills Ltd	11-Commercial Area, L.C.C.H.S, Lahore Cantt
38	United Sugar Mills Ltd	Not Available

Sindh Zone

1	Al-Abbas Sugar Mills Ltd	Pardesi House Survey# 2/1, R.Y.16 Old Green Road, Karachi
2	Al-Asif Sugar Mills Ltd	Dewan Farooq Motors, 7 th Floor, Block 'A' Finance and Trade Center, Shahrah-e-Faisal, Karachi
3	Al-Noor Sugar Mills Ltd	96-A, Sindhi Muslim Society, Karachi
4	Ansari Sugar Mills Ltd	41-K, Block 6, P.E.C.H.S, Karachi 75400
5	Army Welfare Sugar Mills	Badin
6	Bawany Sugar Mills Ltd	Dewan Farooq Motors, 7 th Floor, Block 'A' Finance and Trade Center, Shahrah-e-Faisal, Karachi
7	Dewan Sugar Mills Ltd	Dewan Farooq Motors, 7 th Floor, Block 'A' Finance and Trade Center, Shahrah-e-Faisal, Karachi
8	Digri Sugar Mills Ltd	48 J/1 Block 6, P.E.C.H.S Karachi

9	Faran Sugar Mills Ltd	3rd Floor, Bank House No 1 Habib Square, M A Jinnah Road Karachi
10	Dewan Khoski Sugar Mills	7 th Floor, Block 'A' Finance and Trade Centre, Shahrah-e-Faisal, Karachi
11	TMK Sugar Mills	
12	Habib Sugar Mills Ltd	4th Floor, Imperial Courts, Dr. Ziauddin Ahmed Road, Karachi
13	Khairpur Sugar Mills Ltd	St-10, D/14, Jumani Arcade, Main University Road, Karachi
14	Larr Sugar Mills Ltd	16-E, Block 6, Rashid Minhas Street, P.E.C.H.S Karachi
15	Matiari Sugar Mills Ltd	C-48, KDA Scheme No 1, Karachi-75350
16	Mehran Sugar Mills Ltd	8th Floor, Adamjee House, I.I Chundrighar Road, Karachi
17	Mirpurkhas Sugar Mills Ltd	2nd Floor, Modern Motors House, Beaumont Road, Karachi
18	Mirza Sugar Mills Ltd	10th Floor, Lakson Square, Building No 1, Sarwar Shaheed Road, Karachi
19	Najma (Thar) Sugar Mills Ltd	F-58, Par lane Block-5, Clifton, Karachi
20	Naudero (Larkana) Sugar Mills Ltd	2nd Floor, Block-4, Hockey Club of Pakistan Stadium, Karachi-75350
21	Pangrio Sugar Mills Ltd	10th Floor, Lakson Square, Building No 1, Sarwar Shaheed Road Karachi
22	Ranipur Sugar Mills Ltd	248-A, Block '6' PECHS Karachi
23	Sakrand Sugar Mills Ltd	41-K Block 6, P.E.C.H.S., Karachi
24	Sanghar Sugar Mills Ltd	101- Ocean Center, Talpur Road, Karachi
25	Seri Sugar Mills	1st Floor, Hassan Ali Centre, Opp. M.W Tower, M.A Jinnah Road Karachi
26	Shahmurad Sugar Mills Ltd	96-A, Sindhi Muslim Society Karachi
27	Sindh Abadgar's Sugar Mills Ltd	209, 2nd Floor, Progressive Plaza, Beaumont Road, Karachi
28	Bachani Sugar Mills Ltd	2nd Floor, Europa Center, Hasrat Mohani Road, Off. I.I Chundrighar Road Karachi
29	Dadu Sugar Mills Ltd	Under Privatization Commission of Sindh
30	Kiran Sugar Ltd	40-B, East Avenue, Phase-I, Defense Housing Authority Karachi
4	Tharparkar Sugar Mills Ltd	C-27, Beverly Estate, Plot No F-24, Block-9, Kehkashan Clifton, Karachi
5	Thatta Sugar Mills Ltd	Under Privatization Commission of Sindh

NWFP Zone

1	Bannu Sugar Mills Ltd	Serai Naurang , Dist. Bannu
2	Chashma Sugar Mills ITd	Not Available
3	Frontier Sugar Mills Ltd	Not Available
4	Khazana Sugar Mills Ltd	Not Available
5	Premier Sugar Mills Ltd	Mardan N.W.F.P
6	Saleem Sugar Mills Ltd	Not Available

Azad Kashmir Zone

1	Mian Mohammad Sugar Mills Ltd	Not Available
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